

Department of Energy

Washington, DC 20585

January 26, 2006

MEMORANDUM TO: John Spitaleri Shaw

Assistant Secretary for

Environment, Safety and Health

FROM: Kevin M. Kolevar

Director

Office of Electricity Delivery and Energy Reliability (OE)

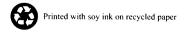
SUBJECT: Annual Planning Summary and Quality Assurance Plans

for National Environmental Policy Act (NEPA) Documents

This is in response to your memoranda of December 6, 2005, and January 10, 2006, in which you requested submission of OE's NEPA Annual Planning Summary and information on our Quality Assurance (QA) plans, respectively. The attached Annual Planning Summary lists all of OE's ongoing environmental impact statements and environmental assessments. Because all of OE's NEPA obligations arise from the processing of regulatory applications, it is not possible to anticipate our future NEPA workload.

We are still in the process of finalizing and, in some instances, establishing procedures for the myriad of tasks attendant in the creation of a new office. The development of QA plans for our organization and for individual NEPA documents has begun and will be completed in the near future, along with the designation of a permanent NEPA Compliance Officer. In the meantime, I have designated Tony Como to serve temporarily as OE's NEPA Compliance Officer until a permanent designation is made.

Attachment



OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY

NEPA Annual Planning Summary

Environmental Assessments

Sumas II - Sumas has applied to OE for a Presidential permit to construct a 230-kV electric transmission line that would extend approximately 0.5 miles from a proposed cogeneration plant in Sumas, Washington, across the U.S.- Canada border. The project has been stalled because of environmental concerns in Canada and it is not clear that the EA will be completed during calendar year 2006.

Environmental Impact Statements

Juan de Fuca Cable Project - Sea Breeze Corporation has applied to OE for a Presidential permit to construct a ±150-kV direct current submarine cable from Victoria Island, British Columbia, Canada, to Port Angeles, Washington. Bonneville Power Administration is the NEPA lead for this project and OE is cooperating in the preparation of the EIS. A Draft EIS is expected to be published by the third quarter of 2006.

North Branch Project – North Branch has applied to OE for a Presidential permit to construct a 500-kV electric transmission line across the U.S.-Mexico border just south of Yuma, Arizona. The proposed line would originate at a new natural gas-fired power plant being constructed one mile south of the international border and would extend approximately 25 miles into the U.S. Western Area Power Administration is the NEPA lead for this project and OE is cooperating in the preparation of the EIS. A Draft EIS is expected to be published by the third quarter of 2006.

Montana-Alberta Tie Line – Montana-Alberta Tie Line has applied to OE for a Presidential permit to construct a 230-kV electric transmission line across the U.S.-Canada border in the vicinity of Cut Bank, Montana. The line would be 126 miles within the U.S. DOE and the State of Montana Department of Environment are cooperating on the preparation of the EIS. It is expected that the Final EIS will be completed by the end of calendar year 2006.

Westwide Programmatic EIS – Pursuant to section 368 of the Energy Policy Act of 2005, DOE and the Departments of Agriculture, Commerce, Interior, and Defense are cooperating in the preparation of a Programmatic EIS for the purpose of designating corridors for oil, gas, and hydrogen pipelines, and electric transmission and distribution facilities on Federal land in the eleven contiguous Western States. By statute, the EIS must be completed by August 2007.

Tucson Electric Power Company – Tucson Electric Power Company has applied for a Presidential permit to construct a double-circuit, 345-kV electric transmission line across the U.S.-Mexico border in the vicinity of Nogales, Arizona. The U.S. Forest Service, the Bureau of Land Management, and the U.S. Section of the International Boundary and Water Commission are cooperating agencies in the preparation of this EIS. The Final EIS was published in January 2005 but we are awaiting completion of the State siting process before issuing a Record of Decision.

Special Environmental Analysis - On December 20, 2005, the Secretary issued an emergency order under section 202(c) of the Federal Power Act in which he ordered the Mirant Potomac River Generating Station, located in Alexandria, Virginia, to operate under certain limited circumstances in response to emergencies on the local electrical grid. We have consulted with the Council on Environmental Quality in utilizing alternative arrangements to comply with NEPA. OE will prepare a special environmental analysis to assess the potential impacts of the emergency order and identify possible additional mitigation measures. The special environmental analysis will be completed no later than August 2006.